



# Circular Letter

California Public Employees' Retirement System  
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Date: **April 30, 1999**

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Distribution: I, IA, III, IV, V, VI,  
X, XII

Special:

**TO: ALL CONTRACTING PUBLIC AGENCIES, STATE AGENCIES  
AND SCHOOL EMPLOYERS**

**SUBJECT: IMPLEMENTATION OF ASSEMBLY BILL 2099**

Chapter 231 (Assembly Bill 2099) effective January 1, 1999 amended Government Code Section 20816. This section provides that if the Chief Actuary determines that an employer's rate plan is super-funded (actuarial value of assets exceeds the present value of benefits), as of the most recently completed valuation, the employer may cover all, or a portion of, their employees' member normal contributions using their employer assets. This would entail transferring assets within the Public Employees' Retirement Fund (PERF) from the employer account to the member accumulated contribution accounts.

CalPERS has determined that the employer rate plan(s) indicated on the attached pages are super-funded based on the actuarial valuation as of June 30, 1997. The amount super-funded is not provided in this letter, nor has any amount been transferred to a special account. If your agency has a rate plan(s) listed, you will receive forms and procedures for completion of the forms on or before May 31, 1999. The forms will indicate to CalPERS the amount of assets you wish to have transferred for a given payroll period, and must be submitted to CalPERS with each payroll.

You may request a transfer of employer assets effective for the plan year beginning July 1, 1999 (for payroll periods ending on or after July 1, 1999 through June 30, 2000).

Remember that this super-funded status applies only to the rate plan indicated and for the rate plan year of July 1, 1999 through June 30, 2000. Transferring of employer assets to member accumulated contribution accounts (as well as other activities) can cause this status to change in subsequent rate plan years. Each year after the actuarial valuations are performed CalPERS will notify all employers who have super-funded plans and supply them with the necessary documents required to request the transfer of assets.

If you have any questions regarding the super-funded status or your contribution rate contact the actuary assigned to your agency. If you do not receive your forms and procedures by May 31, 1999, contact Olivia Castro at (916) 558-4062.

Kenneth W. Marzion, Chief  
Actuarial and Employer Services Division

Attachment